

Amend SB 275 (senate committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Subchapter B, Chapter 5, Business Organizations Code, is amended by adding Section 5.064 to read as follows:

Sec. 5.064. NAME FALSELY IMPLYING GOVERNMENTAL AFFILIATION PROHIBITED. (a) A filing entity or a foreign filing entity may not use a name in this state that falsely implies an affiliation with a governmental entity.

(b) The secretary of state may, in the secretary's sole discretion, determine at any time that a filing entity's or a foreign filing entity's name falsely implies an affiliation with a governmental entity in violation of Subsection (a), including after erroneously accepting a filing instrument or an application for registration of name.

(c) If the secretary of state determines that a filing entity's or foreign filing entity's name falsely implies an affiliation with a governmental entity, the secretary of state shall notify the entity in writing. Not later than the 30th day after the date the secretary of state sends the notification required by this subsection, the entity shall:

(1) cease transacting business or operating under that name in this state; and

(2) file with the secretary of state the applicable instrument to amend the entity's name.

(d) If a filing entity or a foreign filing entity violates Subsection (c), the entity is liable to this state for a civil penalty in an amount not to exceed \$1,000 for each violation. Each day a violation continues is a separate violation for purposes of imposing the civil penalty.

(e) The attorney general may bring an action in the name of the state:

(1) to recover a civil penalty imposed under this section; or

(2) for injunctive relief to require compliance with this section.

(f) An action under this section may be brought in a district court in Travis County.

(g) The attorney general may recover reasonable expenses incurred in obtaining injunctive relief or a civil penalty under this section, including court costs, reasonable attorney's fees, and investigatory costs.